

Senate Standing Committee on Education and Employment

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2013-2014**

Outcome 2 - Schools and Youth

Department of Education Question No. ED0212_14

Senator Wright asked on 20 November 2013, Hansard page 90

Refers to previous DEEWR Question No EW0984_13.

Accountability for funding for non-government schools – cases requiring further investigation

Senator WRIGHT: These are questions that I wanted to ask AITSL earlier on. I was referred to this area. The questions relate to the accountability for funding for non-government schools. I understand that non-government schools in receipt of federal government funding provide annual audited statements. A qualified accountant then looks over a randomly selected sample of these. In the February additional estimates hearings I asked the department for figures of cases that require further investigation. In 2012 I understand eight major and 10 minor cases were examined. The department has said that major cases typically include allegations of misuse of Australian government funding or have a major impact on the education of a large group of students. Can you please detail the 2012 allegations and the result of the auditor's investigation for these incidents? Mr T Cook: I think we will have to take that one on notice. I think there would be quite a bit of detail in relation to that. I do not have it on hand.

Answer

In relation to the new 2012 major cases, five schools associated with the Australian Federation of Islamic Councils located in various states and the Australian Capital Territory were subject to desktop audits to determine whether they were operating for profit. The audits found that the schools were not conducted for profit but did identify other issues in three of the schools involved. The department is working closely with the schools to resolve these matters.

A forensic audit of one other independent non-government school found that the school was not operating for profit.

In a separate case, a forensic audit of an independent non-government school identified that Australian Government grant funding had been misused. As a result, the school was required to repay these funds to the Australian Government.

The remaining new major case for 2012 involved the mid-year closure of a large independent non-government school.